STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID'S TARIFF ADVICE FILING TO REVISE DEFINITION OF PEAK AND OFF-PEAK

DOCKET NO. 3771

HOURS UNDER CERTAIN GENERAL SERVICE

RATES

ORDER

On September 21, 2006, National Grid filed a Tariff Advice requesting approval by the Public Utilities Commission ("Commission") to change the definition of peak hours and off peak hours for a limited time under general service rates B-32, B-62, G-32, G-62, E-30 and E-40 for effect January 1, 2007. The changes are proposed to address changes resulting from the Energy Policy Act of 2005 ("the Act") wherein beginning in March of 2007, Daylight Savings Time ("DST") will occur three weeks earlier in the spring and one week later in the fall. The Act also provided Congress with the right to revert back to the existing DST schedule in the spring of 2008.

As part of its filing, National Grid indicated that it has approximately 1075 customers that may be affected by the change in the DST schedule.³ National Grid's internal clocks in its time-of-use ("TOU") meters are programmed to accommodate the existing DST schedule.⁴ In order to respond to the Act's changes, National Grid must reprogram the TOU meters of its customers that will be affected by the change.⁵ National Grid anticipates this reprogramming will cost approximately \$106,500.00 or \$100.00 per meter.⁶ Should Congress choose to exercise its right to revert back to the existing

¹ Pursuant to the legislation, DST will occur the second Sunday in March and the first Sunday in November.

² The existing DST schedule occurs the first Sunday in April and the last Sunday in October.

³ Tariff Advice Filing, September 21, 2006.

⁴ Id.

⁵ Id.

⁶ Id.

schedule, National Grid will be required to expend an additional \$106,500.00 to reprogram the TOU meters to reflect the reversion.⁷

In response to National Grid's filing, the Division of Public Utilities and Carriers ("Division") filed a memorandum on November 10, 2006. The Division recommended that the Commission deny National Grid's request to change its designation of peak and off-peak hours. The Division represented that it was possible for National Grid to adjust the bills of its customers that would be affected by the Act's change of schedule. Based on this ability to make an adjustment on a subsequent bill, the Division recommended that the Commission deny National Grids request to change its designation of peak and off-peak hours. Additionally, the Division recommended that the Commission direct National Grid to retain the current tariff language of rates B-32, B-62, G32, G62, E-30 and E-40; to perform an analysis of customer billing demands as recorded by their meters for the months of March, April, October and November 2007 and make any adjustment to correct over or under billing as soon as possible; and to notify and to explain in writing to each customer that could be affected by the change in the Act of their potential exposure as well assuring that customer that they will be billed correctly.

At an open meeting on November 30, 2007, the Commission adopted the position of the Division and denied National Grid's Tariff Advice. The Commission ordered that the current tariff language of the rates remain in place, that for the billing months in the DST period, National Grid perform an analysis of the customer billing demands as recorded by the affected customers' meters and if the bill is not in compliance with the

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⁸ Division Memorandum, November 10, 2006.

⁹ Id.

¹⁰ Id.

II Id

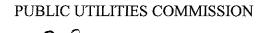
existing tariff, then apply an adjustment on a subsequent bill to correct any over or under charge and that National Grid notify customers taking service on rate B-32, B-62, G-32, G-62, E-30 and E-40 of the potential impact on their bills of the change in DST and that their bills will be adjusted if necessary.

Accordingly, it is hereby

(18787) ORDERED:

- National Grid's request to change its designation of on-peak/off-peak hours is hereby denied, and the tariff language currently in effect and approved by this Commission shall remain in place;
- 2. For the months of March, April, October and November 2007, National Grid shall perform an analysis of the customer billing demands as recorded by the customers' meters and if adjustment is necessary to accurately reflect the existing tariff, make such adjustment as soon as possible;
- National Grid shall notify each customer taking service on rates B-32, B-62,
 G-32, G-62, E-30 and E-40 of the potential impact on their bills of the change in DST and that their bills will be adjusted if necessary; and
- 4. National Grid shall comply with all other findings and instructions as contained in this order.

EFFECTIVE AT WARWICK, RHODE ISLAND, PURSUANT TO AN OPEN MEETING DECISION ON NOVEMBER 30, 2006. WRITTEN ORDER ISSUED DECEMBER 13, 2006.



Elia Germani, Chairman

Robert B. Holbrook, Commissioner

Mary E. Bray, Commissioner